



American Planning Association – Ohio Chapter

PO Box 4085
Copley OH 44321
330.814.6295

Accounting Practices & Financial Administration Guide

Purpose

The APA Ohio Accounting Practices & Financial Administration Guide serves as a toolkit for the Chapter Treasurer, Executive Director, and others involved in the administration of the Chapter's finances. This guide outlines the roles and responsibilities of the Chapter Treasurer consistent with the Chapter Bylaws; provides timelines and instructions for the Chapter Treasurer; and defines expectations to ensure sound Chapter financial management practices. This guide is also designed to assist with smoothing the transition between new Chapter officers and directors.

Per the APA Ohio Chapter Bylaws (last revised September 20, 2012), the Chapter Treasurer is responsible for:

- A. Receiving and disbursing funds as provided for by the Board of Trustees;
- B. Collecting dues not collected by the American Planning Association;
- C. Preparing annual budgets in consultation with the President for approval by the Board;
- D. Maintaining accounts which shall be open to inspection by the officers and Audit Committee;
- E. Preparing for each meeting a financial report as prescribed by the Board;
- F. Being bonded for amount determined by the Board, the cost for which shall be paid by APA Ohio;
- G. Providing an annual financial report to the membership at the end of the fiscal year; and
- H. Annually preparing and filing the APA Ohio Chapter's State and Federal tax returns.

Contents

- 1. Accounting Practices**
- 2. Chapter/Section Financial Relationship Policy**
- 3. Monthly Responsibilities**
 - 1) Complete Monthly Financial Review
 - 2) Sign and Copy Checks
- 4. Quarterly Responsibilities**
 - 1) Prepare Financial Reports for Quarterly Board Meetings
 - 2) Ensure the Submission of APA National Quarterly Financial Information (Chapter and Section)
- 5. Annual Responsibilities**
 - 1) Lead Section Treasurer Conference Call (February – March)
 - 2) Prepare Previous Calendar Year's Taxes (February – March)
 - 3) Prepare Annual Budget for Board Adoption (April – May)
 - 4) Prepare Annual Report (August – September)
 - 5) Compile Signed Check Inventory (December – January)
- 6. Miscellaneous Responsibilities**
 - 1) Conduct Chapter Audit
 - 2) Monitor Dues
 - 3) Monitor Chapter Investments
 - 4) Evaluate and Update Chapter Accounting Policies and Procedures
 - 5) Treasurer Transitions
- 7. Attachments & Useful Resources List**

1. Accounting Practices

1. **APA Chapter Financial Management Guide.** Anything not addressed by the APA Ohio Chapter Accounting Practices and Financial Administration Guide should be guided by the APA Chapter Financial guide prepared by the American Planning Association (National), last amended April 8, 2013.
2. **Day-to-Day Financial Management.**
 - a. APA Ohio is a subordinate of APA National. APA Ohio Chapter maintains its own employer identification number (EIN)/tax identification number (TIN) used for filing tax returns, opening bank and investment accounts, etc. The APA Ohio Chapter EIN is **51-0150311** and is officially known as "American Planning Association – Ohio 33."
 - b. As part of the 2015 Plan4Health financial monitoring process, each awarded APA Chapter was required to obtain a DUNS (Data Universal Numbering System) number. The DUNS number was used to fulfill APA's reporting requirements to the CDC—and may be used by the Chapter for future federal grants. The APA Ohio Chapter's DUNS number is **053853761**.
 - c. The APA Ohio Executive Director is obligated by contract to abide by the AICP Code of Ethics. The Code of Ethics also serves as a Code of Conduct for all Board members and Section leadership responsible for the Chapter's financial management.
 - d. The APA Ohio Executive Director performs the majority of routine Chapter operations.
 - e. Authorized signatories on all bank accounts include the APA Ohio Executive Director, Chapter Treasurer, and Chapter President. A minimum of two signatures is required for all transactions, including signing checks and withdrawing cash.
 - f. The Chapter uses Quicken accounting software to manage all account ledgers. All expenses are documented through invoices, receipts, ledger notations, etc. The journal entries are made by the APA Ohio Executive Director, and the Chapter Treasurer verifies the information provided, including documentation for all expenses.
 - g. For cash and check deposits, a deposit ticket is made (with a carbon copy remaining in book) and copied with all checks. The bank deposit receipt is stapled to the copies and filed.
 - h. For Electronic Fund Transfer (EFT) deposits, individual records exist only by searching daily deposits in the online merchant account. Batched EFT deposits exist both on the monthly merchant statement and on the monthly bank statements.
 - i. All checks to be deposited should be made payable to "APA Ohio" or "American Planning Association – Ohio 33."
 - j. When payments are received by mail, the APA Ohio Executive Director:
 - i. Sorts checks by payment type, as well as by payment to the Chapter or the Section.
 - ii. Checks the subject line and, if applicable, an invoice number is noted to affiliate the check with an online registration.
 - iii. Records every check on a deposit slip from a book with carbon copies, which provides a record of each check received.
 - iv. Creates separate deposit slips for each check to be deposited and stamps each check "For Deposit Only."

- v. Makes a copy of each check, and staples the copy to the carbon copy of the deposit slip receipt.
 - vi. Files the copies of checks and deposit slips by date/year.
 - vii. Sorts the checks with funds that are intended to be “split” between the Chapter and Section(s) into the group of checks to be deposited for which the majority of the funds are to be directed, with a note explaining how the check funds are to be split. The check is then recorded in Quicken as having been “split” accordingly.
- k. Cash should be deposited within one business day, or on Mondays following Friday events. Check deposits should be made within two weeks, or sooner upon request. Checks should be kept in a lock box until they are deposited.
 - l. For cash payments at events, all transactions should be recorded electronically or in a receipt book, which makes carbon copy receipts. After the event, the APA Ohio Executive Director should input the funds into the online registration database so that the purchase is tied to a specific registration. The online registrations should then be accounted for as usual, and deposits made according to schedule.
 - m. Each month, the APA Ohio Executive Director then reconciles the merchant fee statement (for online payments) with the bank statement and the online registration statement to ensure all of the statements balance.
 - n. The APA Ohio Executive Director shall provide all check/deposit slip copies (electronically) to the Treasurer on a monthly or annual basis for dual review and record keeping.
 - o. For voided checks, “VOID” should be written or printed on the signature and deposit lines, and retained in accordance with the record retention policy.
 - p. The Chapter Treasurer, Chapter President, and APA Ohio Executive Director shall compile and account for all signed and voided checks on an annual basis.

3. Payments.

- a. Invoices and bills are paid monthly. Upon receiving an invoice or monthly statement, the Executive Director prepares a check and records it in the checking account register (Quicken).
- b. All checks are classified according to their appropriate accounting code in the APA Ohio Budget.
- c. Checks made payable to “CASH” are prohibited.
- d. Checks shall not be signed in advance.
- e. All checks must have two signatures. Authorized signatories include the Executive Director, the APA Ohio President, and the APA Ohio Treasurer.
 - i. Checks for payment to the Executive Director or her/his organization shall not be signed by the Executive Director or a representative of his/her organization. Such checks shall be signed by the President and the Treasurer.
 - ii. Checks for payment to the President shall only be signed by the Treasurer and the Executive Director.

- iii. Checks for payment to Treasurer shall only be signed by the President and the Executive Director.
- f. After preparing and signing each check (as appropriate), the Executive Director makes a photocopy for the file. The checks will have only one signature (the Executive Director's) or no signatures (in the case of payment to the Executive Director).
- g. The Executive Director mails all checks, along with the invoice and other supporting documentation, to the Treasurer for review. When the Treasurer approves the payment, he or she signs the check, makes a photocopy of the check for the files, and forwards it to the recipient. Photocopies of all signed checks are provided to the Executive Director annually. The Executive Director retains these photocopies in the APA Ohio records in accordance with the Chapter's records retention policies.
- h. In cases where the President is the second signatory, the Treasurer forwards the check to the President for review and signature. The President then photocopies the check for the files before forwarding it to the recipient. Photocopies of all signed checks are provided to the Executive Director annually. The Executive Director retains these photocopies in the APA Ohio records in accordance with the Chapter's records retention policies.
- i. If the Treasurer or the President has a question or notes a discrepancy with a payment, the Executive Director will make corrections or provide additional documentation as needed.
- j. The APA Ohio Executive Director should mark all paid invoices as "PAID" and file the paid invoices with the "third sleeve" showing evidence of check payment and the amount invoiced.
- k. The Chapter currently makes all payments by check – no payments are made electronically. Should this procedure change, the APA Ohio Executive Director and Chapter Treasurer should develop an appropriate accounting procedure to ensure proper oversight.
- l. The Chapter shall not maintain a credit card.

4. Invoices.

- a. The APA Ohio Executive Director will invoice APA Ohio "Chapter only" members once per year. Most memberships correspond to the calendar year and are invoiced in December. Some memberships are staggered throughout the year and these members are invoiced in the month prior to their membership's expiration.
- b. The APA Ohio Executive Director invoices webcast consortium members annually.
- c. The APA Ohio Executive Director creates monthly reports from the online registration database to identify outstanding payments, and then sends reminder invoices electronically. Paper invoices are sent to individuals with accounts receivable after 90 days, and after that point, the APA Ohio Executive Director follows up with phone calls. The APA Ohio Executive Director is also responsible for tracking accounts receivable for all Section events/online registrations.
- d. The APA Ohio Executive Director will issue other invoices as needed.

5. Electronic Fund Transfers.

- a. A payment acknowledgment is attached to the online profile of the registrant or sponsor. Invoices are sent upon request. Email receipts are sent following online payments.

- b. The APA Ohio Executive Director reconciles the merchant statement (online payments and fees), the bank statement, and the online reporting account. "Transfer Receipts" are sent to the Sections and/or Conference/Event Committees along with the online payments to simplify and summarize the transaction summary.
- c. The American Planning Association direct-deposits membership dues ("grants") on a quarterly basis via electronic transfer into the APA Ohio Key Bank checking account.
- d. The Executive Director is not authorized to make any electronic debits or transfers. All routine expenses should be invoiced for reimbursement following the submission of appropriate documentation (receipts, invoices, etc.).
- e. APA Ohio Chapter reserves the right to charge transaction fees to Sections, Event/Conference Committees, etc. for electronic fund transfers (typically registrations and sponsorships) submitted online. The current transaction fee is 3.5% of the transaction amount (per transaction), plus \$1.25 per transaction (ex.: \$100 transaction, \$4.75 fee) [as approved by the APA Ohio Chapter Board February 6, 2015].

6. Expenses.

- a. Non-routine expenses must be approved by the APA Ohio Executive Committee. The Chapter Treasurer should prepare amended budgets if necessary for Board approval.
- b. Prior Board or Executive Committee approval is required for any non-budgeted expense exceeding \$500.
- c. Prior Executive Committee approval is required for any non-budgeted purchase exceeding \$250.

7. Account Transfers.

- a. Checking to Savings/Savings to Checking – Requires Board action (except for specifically budgeted items, such as scholarships). Executive Committee action is acceptable for time-sensitive transfers.
- b. Checking to Checking or Savings to Savings – Requires Treasurer and/or President approval.

8. Monthly Reports.

- a. On a monthly basis, the Executive Director balances the bank accounts and reconciles the checkbook register using Quicken software (since 2005).
- b. The Executive Director provides copies of the monthly bank account statement, invoices, receipts for reimbursable expenses, transfer receipts for all section/event transactions, and the Quicken file ledger to the Treasurer for review every month. Corrections and modifications are referred back to the Executive Director as necessary. Refer to "Board Reports" under *Quarterly Responsibilities* for detailed instructions for preparing Treasurer's Reports.

9. Quarterly Reports.

- a. Prior to quarterly Board meetings (or at any other time as requested by the Treasurer) the Executive Director provides the Quicken files for all bank accounts, including savings and investments, to the Treasurer for review and verification.
- b. The Treasurer prepares quarterly reports for the APA Ohio Board using the Quicken files coinciding with the scheduled Board meetings. Corrections and modifications are referred back to the Executive Director as necessary. Refer to "Month End Financial Review" under *Monthly Responsibilities* for detailed instructions for completing this review.

- c. The Treasurer's Report includes explanations of budget variances and requests for Board adoption of a revised budget when necessary.

10. Webcast Consortium Administration.

- a. The APA Ohio Executive Director serves as the administrator for the APA Webcast Consortium, charging a monthly retainer as determined by the APA Ohio Executive Director's contract.
- b. Participating Chapters and Divisions contribute an annual fee to participate in the webcast consortium, providing free webcasts to APA Chapter members. The fees may be paid ONLY by check or cash. Credit cards are not accepted to avoid incurring merchant fees.
- c. All webcast funds, including income and expenses, must be held and accounted for in a separate bank account from the rest of the APA Ohio Chapter's funds.
- d. Transfers from the webcast consortium account to the Chapter's account may be made on an annual or semi-annual basis. The transfers may be used to reimburse for the APA Ohio Executive Director's retainer, online webcast hosting fees, and CM credit charges, all of which are debited from the Chapter's regular checking account.

11. Oversight.

- a. Accounting procedures and practices are subject to periodic audit, as requested by the Audit Committee.
- b. The Audit Committee will convene whenever a new Chapter Treasurer takes office and whenever a new Executive Director is retained to review current accounting practices.
- c. Should the APA Ohio Executive Director's contract expire or terminate, all APA Ohio Chapter property (including but not limited to external hard drive, post office mailbox keys, and paper files) shall be immediately transferred to the APA Ohio Chapter President, Treasurer, or other Executive Committee member. The APA Ohio Executive Director's name shall be immediately removed from all Chapter bank and investment accounts.
- d. Once the Chapter Treasurer's term ends, all APA Ohio Chapter property shall be immediately transferred to the APA Ohio Chapter Executive Director, President, incoming Treasurer, or other Executive Committee member as appropriate. The Chapter Treasurer's name shall be immediately removed from all Chapter bank and investment accounts.
- e. Once the Chapter President's term ends, their name shall be immediately removed from all Chapter bank and investment accounts.

12. Fiscal Agency.

- a. APA Ohio Chapter and/or any of its Sections are permitted to serve as fiscal agents for organizations including but not limited to university-based student planning associations and related planning organizations, provided the organization's mission is consistent with APA Ohio's mission of providing educational and professional development opportunities.
- b. Monthly financial reconciliation and documentation should occur between the Chapter and/or Section and the affiliated organization, or as otherwise specified in a Memorandum of Understanding (MOU) agreed upon by all parties, prior to entering into the fiscal agency relationship.

- c. All income and expenses for which APA Ohio and/or any of its Sections serve as fiscal agents should be included on the 990 tax filing documents.
- d. Refer to the attached example Memorandum of Understanding for sample terms and conditions.

13. Sponsorship Requests

- a. Following official Board action, the APA Ohio Chapter Board of Trustees may elect to serve as sponsor for events, initiatives, or other similar effort, either financially or in name, provided the mission of the organization requesting sponsorship is consistent with the mission of APA Ohio.
- b. Any request for sponsorship that involves a monetary request must be approved by the APA Ohio Chapter Board (and include an amended budget, if necessary) following a determination that the sponsorship opportunity will offer substantial benefits to the Chapter's membership or furtherance of the mission of APA Ohio.

14. Investment Policy

- a. The APA Ohio Chapter should avoid retaining excessive amounts of cash in Chapter checking accounts. Excess cash should be invested in interest-bearing savings accounts, money market accounts, or certificates of deposit. Any investment account should bear minimal risk.
- b. Any investment account should mature not more than once every 12 months (semi-annually is preferred).
- c. Investment funds should be used to fund the implementation of Chapter strategies and initiatives that will benefit the Chapter membership, such as new professional development programs, planning policy and advocacy initiatives, and new member services (such as websites or online programs). Not more than 100% of a typical year's expected annual revenue should be maintained in Chapter investment reserves.
- d. The Chapter should maintain a savings account dedicated to funding scholarships for APA Ohio members, including but not limited to conference registration scholarships, student achievement awards, etc. as determined by the Chapter Board.
- e. The Chapter savings account dedicated to funding scholarships should be replenished on an annual basis out of conference profits (5% profits).

15. Travel and Meal Reimbursement Policy.

- a. The Chapter shall reimburse for expenses incurred by Chapter officers (President, Vice President, or designee) and the APA Ohio Chapter Executive Director for business conducted on behalf of the Chapter, including but not limited to meals, airfare, lodging, communications, printing and photocopying, and registrations, following the submission of documentation such as receipts or invoices.
- b. Mileage shall be reimbursed in accordance with the standard IRS mileage rates.
- c. Chapter business for which travel and meal reimbursements may be requested by the APA Ohio Executive Director include but are not limited to APA National, Regional, and State conferences, event committee meetings, section events, and other events following approval of the APA Ohio Executive Committee and/or Board of Trustees.

- d. Chapter business for which travel and meal reimbursement may be requested by the APA Ohio Chapter officers (President, Vice President, or designee) include APA National leadership events (CPC meetings), other related leadership meetings, and officer training meetings.
- e. All reimbursement requests for travel expenses must be itemized. Receipts are required.
- f. Travel, mileage, meals, and all reimbursable expenses shall be reasonable (lowest and best options). Reimbursement requests for accommodations and meals may be denied if they are determined to be unreasonable. Reasonableness of expenses will be determined by the APA Ohio Executive Committee.
- g. Refer to the APA Chapter Financial Management Guide for additional travel and meal reimbursement policy guidance.

16. Conflict of Interest Policy.

- a. The APA Ohio Chapter standard of behavior is for all Board members, employees, contractors, and volunteers to scrupulously avoid any conflict of interest between the interests of the APA Ohio Chapter on one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as perceptions of conflicts of interest.
- b. All APA Ohio members that participate in the APA Ohio Chapter's administration, including the Chapter Treasurer, Chapter President, APA Ohio Executive Director, and Section Directors and Treasurers are expected to conduct themselves in a manner consistent with the AICP Code of Ethics.
- c. The purposes of this policy are: to protect the integrity of APA Ohio's decision-making processes; to enable the Chapter's members to have confidence in the Chapter's integrity; and to protect the integrity and reputation of volunteers, contract staff, and Board members.
- d. In the course of meetings or activities, Board members, employees, contractors, and/or volunteers will disclose any interests in a transaction or decision where they themselves (including their businesses or other nonprofit affiliation), their family and/or significant others, employers, or close associates will receive a benefit or gain. After disclosure, Board members, employees, contractors, and/or volunteers may be asked to leave the room for the discussion and will not be permitted to vote on the question.

17. Whistleblower Policy.

- a. APA Ohio Chapter is committed to operating in furtherance of its tax-exempt purposes and in compliance with all applicable laws, rules and regulations, including those concerning accounting and auditing, and prohibits fraudulent practices by any of its Board members, officers, contractors/employees, or volunteers. This policy applies to any matter which is related to APA Ohio's business and does not relate to private acts of an individual not connected to the business of APA Ohio.
- b. All APA Ohio members that participate in the APA Ohio Chapter's financial administration, including the Chapter Treasurer, Chapter President, Section Treasurers, and APA Ohio Executive Director, are expected to conduct themselves in a manner consistent with the AICP Code of Ethics.
- c. If any member of the APA Ohio Board of Trustees or APA Ohio Chapter membership believes that some policy, practice, or activity of APA Ohio is in violation of any law, Chapter bylaw, or accounting policy, a written complaint should be filed with the Executive Director and/or the Chapter President.
- d. It is contrary to the values of APA Ohio for anyone to retaliate against any Board member, officer, employee or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any of APA Ohio's

bylaws or accounting policies. An employee, contractor, or Board member who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment, contract, or removal from the APA Ohio Chapter Board.

- e. All reports will be followed up promptly, and an investigation conducted by the APA Ohio Governance Committee or Executive Committee, as appropriate. In conducting its investigations, APA Ohio will strive to keep the identity of the complaining individual as confidential as possible, while conducting an adequate review and investigation.

2. Chapter/Section Financial Relationship Policy

1. Local Sections of APA Ohio shall use the same EIN as APA Ohio – Sections shall not have separate Tax Identification Numbers. The APA Ohio Chapter EIN is 51-0150311 and is officially known as “American Planning Association – Ohio 33.” Any Section filling out a W-9 for an organization/vendor should use the official APA Ohio title and form.
2. The APA Ohio Chapter is ultimately responsible for the financial management of all Sections. The APA Ohio Executive Director and/or the Chapter Treasurer (as approved by the APA Ohio Board) shall be a co-owner/signatory on all bank accounts/investment accounts/etc. held by each Section.
3. Sections may choose any financial institution and investment accounts (as applicable), although arrangements must be made with the Executive Director or Chapter Treasurer, as applicable, to be available as a co-signer when an account is opened or account signatories change.
4. Section Directors/Treasurers shall ensure that that the Chapter co-signer (APA Ohio Executive Director and/or APA Ohio Chapter Treasurer) has access to all accounts through account numbers, passwords, etc.
5. The APA Ohio Chapter (Executive Director, Chapter Treasurer, or any other authorized party) shall neither deposit nor withdraw any funds, either electronically or in person, without prior written approval of the Section Treasurer (or Section Director if the Section Treasurer is incapacitated).
6. The APA Ohio Executive Director and/or Chapter Treasurer may request statements directly from the Sections’ financial institutions, or otherwise access online accounts, to check balances and view transactions at any time.
7. If the APA Ohio Board, by majority vote, determines that there is reasonable evidence of financial mismanagement at the Section level, the Executive Director and/or Chapter Treasurer as signatory on the account(s) may remove all funds from the Section and hold them in a temporary account separate from the Chapter’s funds and other Section funds until a resolution is reached, at which point all funds shall be restored to the Section.
8. If Section treasurers/leadership believe there to be activity at the Chapter level that violates the terms of this policy, Section leaders should contact the Chapter President to initiate an internal or external audit, as applicable. The Section may also contact APA National to assist with investigating and/or resolving the potential violation.
9. Section funds shall be used by the Sections to further the mission of the APA Ohio Chapter in general and local Sections specifically. The APA Ohio Chapter will not direct the Sections in the use of Section funds, except as otherwise addressed in this guide. Section funds shall not be used by the Chapter.

10. All APA Ohio members that participate in the APA Ohio Chapter's financial administration, including the Chapter Treasurer, Chapter President, Section Treasurers, and APA Ohio Executive Director, are expected to conduct themselves in a manner consistent with the AICP Code of Ethics. Section Treasurers, Directors, and any other members of the Section leadership that have access to Section funds are expected to abide by the financial management practices and policies of this document, as applicable, and/or adopt an equivalent local Section policy document (provided local Section policies do not contradict Chapter or National policies).
11. The APA Ohio fiscal year is July 1 – June 30. The APA National fiscal year is October 1 – September 30. Each Section may receive an email from APA Ohio at the end of each National fiscal quarter (January-Q1, April-Q2, July-Q3, and October-Q4) to submit bank statements that include any broker, mutual fund, and other investments, if applicable. These must be submitted to APA Ohio by the time specified in order to get the financial package to National on time.
12. The APA Ohio Chapter shall maintain insurance coverage for all Section officers that have access to Section finances, including General Liability, Employee Dishonesty, and Officers and Directors insurance coverage.
13. APA Ohio and Sections share a group tax exemption with National. Sections should use the official form for tax exempt document. Some organizations/vendors request additional documentation to prove that Sections are part of the Chapter. Sections should use the official letter proving exemption.

3. Monthly Responsibilities

Month End Financial Review

The monthly financial review of the Chapter's finances is one of the primary responsibilities of the Chapter Treasurer. The APA Ohio Executive Director typically prepares the information toward the middle of each month after reconciling each of the Chapter's bank accounts, compiling receipts and invoices, and preparing checks for dual signature. Most materials are prepared and sent electronically.

A typical month end (electronic) packet includes:

1. Quicken file
2. A PDF with bank account statements for ALL bank/savings accounts; investment/interest reports when the account matures and/or when statements are issued; merchant fees statement; receipts for all reimbursable expenses; invoices sent to the Chapter electronically; and the APA Ohio Executive Director's invoice for services rendered and reimbursable expenses.
3. Notes in response to the Treasurer's previous month end review.
4. APA Grant Rebate Reports (quarterly)

Typical paper packets mailed to the Chapter Treasurer include:

1. Checks with envelopes and paper invoices and/or other documentation of the amount for which the check is made out.
2. A check for the APA Ohio Executive Director to be mailed to the Chapter President for the second signature.

(Refer to *Sign and Copy Checks* below)

The Chapter Treasurer should consider the following approach in reviewing the month end packet:

1. Open Quicken File (save back-up file; requires password).
2. Select "Reports" → "Spending" → "Itemized Categories"
3. A new window will open. Select "Update to Show" → Select "Transaction Detail"
4. Select "Export" → "Report to Excel Compatible Format"
5. Copy ".txt" file into Excel
6. Format according to preference; make notes and send to the APA Ohio Executive Director to address.
7. **Considerations:**
 - i. Check receipts/invoices/statements against the spreadsheet and note questions/discrepancies.
 - ii. The previous month's merchant fees statement should show up on the current month's banking statement (*example: January's merchant fees show up on the February bank statement*).
 - iii. Review uncleared transactions (items marked with an "R" are cleared). Make a note of any long outstanding uncleared transactions for the APA Ohio Executive Director to follow up.
 - iv. Refer to the previous month end notes (typically in the Excel file) to make sure questions/notes have been sufficiently addressed; if not, make another note for the APA Ohio Executive Director to address during the next review.
 - v. Verify that all new transactions (since the previous month's accounting) have adequate memo descriptions and verify that the accounting codes are correct. Memo descriptions are usually routine (refer to previous memos for consistency); no transaction should have a "blank"

description. Sometimes transactions show up in the wrong places due to being coded incorrectly – look for consistency.

- vi. Review bank statement against the Excel file. The Bank Statement Reconciliation Summary should match the bank statement (highlight the appropriate Bank Account in the Quicken file → Select “Reports” → “Banking” → “Reconciliation”).
- vii. Watch for consistency – in terms of naming conventions, section abbreviations, etc. Consistency makes it easier to search Quicken in the future.
- viii. Make a note of any other outstanding Treasurer-related business to include in the email to the APA Ohio Executive Director (always helps to consolidate emails).
- ix. Email the Excel file (or other file as appropriate) to the APA Ohio Executive Director to address for next month end.

Sign and Copy Checks

1. Verify that the check amount matches the receipt/invoice/transfer receipt amount. All checks should have an amount that matches a receipt/invoice/etc. No check should be signed without a matching invoice. If none exists, or an explanation is required, make a note and copy with the check.
2. Make a copy of the signed check. Try to ensure the copy shows that the check amount and the amount on the receipt/invoice/transfer receipt are both visible on the same page to show that they match.
3. Keep all copies of signed checks (refer to *Annual Signed Check Inventory*); it’s helpful to note which checks are missing in sequence throughout the year.
4. Mail checks as soon as possible after they are received. This should be coordinated with the month end financial review, but schedules may not always allow.

4. Quarterly Responsibilities

Board Reports

The Chapter Treasurer is responsible for providing a financial report to the Board at each meeting, on a more-or-less quarterly basis. The Board is required to accept the Treasurer's Report by official action. The financial report should include information about funds received and disbursed throughout the year, as well as financial updates (such as noting when taxes are filed, changes in APA National policies, updates from Section Treasurers, etc.) and other Board actions (such as fee increases, transfer requests, budget amendments, etc.).

Typical financial reports compiled for Board meetings include the following:

1. *Treasurer's Report* – Overview memo that identifies actions required; highlights information contained in the report, and other issues for the Board to consider or discuss at the Board meeting. (Word doc/PDF)
2. *Account Balances* – Shows current balances in each bank and investment account, with previous account balance data shown for comparison and trends. The Quicken balance and the bank statement balances will vary slightly; choose one approach (bank statement is preferred, except for the Chapter's Key Bank checking account) and use the same one for consistency. (Excel file/PDF)
 - *Quicken Report: "Reports" → "Net Worth and Balances" → "Account Balances"* (Select appropriate date range). Copy into Excel.
 - *OR: Bank Statement: Use most recent month's statement balances, manually add to Excel file.*
3. *Summary of Accounts for the Fiscal Year to Date* – Shows total income and expenses for each accounting category, providing an at-a-glance comparison. (Excel file/PDF)
 - *Quicken Report: "Reports" → "Banking" → "Banking Summary"* (Verify the date range is YTD). Copy into Excel.
 - *Alternative: Manually copy data into Excel file.*
4. *Income and Expenses Compared to Budget* – Shows total income and expenses for each accounting category compared to the adopted budget, with space for notes. (Excel file/PDF)
 - *Quicken Report: "Reports" → "Spending" → "Itemized Categories"* (Verify the date range is YTD); manually input data into Excel file with budget comparison.
5. *Account Transactions for the Fiscal Year to Date* – Shows all transactions – income, expenses, and transfers between accounts. (Excel file/PDF)
 - *Quicken Report: "Reports" → "Spending" → "Itemized Categories"* (Verify the date range is YTD and expanded to show transaction details); copy data into Excel file.
6. *APA Rebate (Grant) Analysis* – Summarizes the revenue from APA national, minus applicable fees, compared with historic trends. Uses information from the APA Grant Summary provided quarterly, and/or information input into Quicken (refer to applicable accounting codes). (Excel file/PDF)

The financial report prepared for the **May** Board meeting should include a **draft budget** (for final review and adoption during the June conference call).

The financial report for the **September** Board meeting should include the **annual financial report**, including confirmation that the **annual taxes** were filed by the extended deadline of August 15th.

Ensures APA Receives Quarterly Financial Information

APA national requests quarterly financial information from the Chapter and all of its sections. The APA Ohio Executive Director typically collects this information; however, the Chapter Treasurer assists if needed.

5. Annual Responsibilities

Section Treasurer Conference Call

An annual conference call with all of the Section Treasurers, the APA Ohio Executive Director, and a Conference Committee representative (if applicable) is recommended at the beginning of the calendar year. The conference call is intended to serve as a general check-in, as well as a reminder to prepare tax return information and an opportunity to communicate relevant financial policy updates, share best practices, troubleshoot, etc.

A sample 30-minute conference call agenda (from January 2015):

- I. Upcoming Dates and Information Needs** (taxes, quarterly APA financial info, etc.)
- II. Policy Check-In**
 - a. Chapter Audit completed – review relevant recommendations
 - b. Exploring a Chapter dues increase
 - c. Exploring an online transaction fee increase
- III. State of the Sections – Round Table**
 - a. What challenges are you experiencing?
 - b. What opportunities are you exploring?
 - c. Anything else you would like to share with the other Section/Chapter Treasurers?

Taxes

APA Chapters are exempted from paying federal income taxes as a result of a group exemption maintained by the national Association, a 501(c)(3) not for profit corporation, incorporated in the District of Columbia. However, Chapters are required to file an annual Internal Revenue Service (IRS) information return, so that IRS can monitor whether or not the Chapter continues to qualify for tax-exempt status under the APA National group exemption. Refer to the “Guide to Chapter IRS Information Returns 2015” (or as amended) provided by APA National for additional information.

Tax returns should be approved by the Board (if possible, during the June budget call meeting) or by the Executive Committee before they are filed.

Federal

Holbrook & Manter CPAs currently prepares and files the Chapter’s Federal tax returns for a budgeted fee.

1. At the beginning of **February**, the Chapter Treasurer should request an income/expense/account balance report from all Section Treasurers (via email) for the prior **calendar year**, typically allowing for approximately one month to produce.
2. At the same time, the Chapter Treasurer should prepare the same information for the Chapter.
3. At the beginning of **March**, the Chapter Treasurer should email all of the Section and Chapter income/expense/account balance information to the Chapter’s accountant. As of 2015:

Brian E. Ravencraft, CPA, CGMA
Principal, Holbrook & Manter, CPAs
O: 937.644.8175 | F: 937.642.9147
BRavencraft@holbrookmanter.com

Bryan M. Davidson, CPA
Senior Accountant, Holbrook & Manter, CPAs
D: 937.303.1609 | O: 937.644.8175 | F: 937.642.9147
BDavidson@holbrookmanter.com

4. The accountant typically files at least one (if not a second) extension to allow for additional time to prepare and file the tax returns before the May 15th deadline (or August 15th extension) for non-profits. The accountant will request the Chapter Treasurer to sign and verify the returns before they are filed.
5. After the returns are filed, the **Chapter Treasurer** should file the **State of Ohio** tax returns.

State of Ohio

The **Chapter Treasurer typically files the State tax returns** following the preparation and filing of the Federal returns (to save about \$150 in additional accounting fees).

1. With the federal return, go to the State Attorney General's website:
<http://charitableregistration.ohioattorneygeneral.gov/>
2. A new Chapter Treasurer should register and create a new username and password; currently p: **rroy@dublin.oh.us** / p: **dublin. Until the username and password is changed, all subsequent email confirmations will go to this email address.**
3. Select "File Annual Report."
4. Complete online return information.
5. A confirmation email will be sent to the Chapter Treasurer, along with an **invoice** for payment of the filing fee (typically \$100). Forward the invoice to the APA Ohio Executive Director for payment (failure to pay will result in a late fee of approximately \$200).

After the federal and state tax returns have been filed, update the APA Ohio Board in the next available Treasurer's Report. Electronic copies should be sent to the APA Ohio Executive Director for record-keeping, and the Treasurer should save all paper copies, to be sent to the APA Ohio Executive Director upon the end of the Chapter Treasurer's term.

Annual Budget

The APA Ohio fiscal year starts July 1st (NOTE: the APA National fiscal year runs October 1 – September 30). The fiscal year is dated for the year during which the fiscal year ends (ie – Fiscal Year **2015** runs July 1, 2014 – June 30, **2015**). The Board is required by the Chapter Bylaws to approve the annual budget for the upcoming fiscal year by the last day of the current fiscal year (June 30).

The Chapter Treasurer should prepare a **draft** budget for the **May** Board meeting, requesting input and budget requests from Board members – particularly committee chairs. The budget should be updated and presented for adoption during a conference call typically held in mid-June. The proposed budget should include a Treasurer's Report with any necessary explanations, in addition to the proposed budget for the coming fiscal year (PDF/Excel spreadsheet format).

After the budget is adopted by the Board, the Chapter Treasurer should work with the APA Ohio Executive Director to input the budget data into Quicken for record-keeping purposes, although Excel spreadsheet format is also acceptable.

Annual Report

After the end of the APA Ohio fiscal year on June 30th, the Chapter Treasurer should prepare the annual financial report (typically after the APA Ohio Executive Director sends the June month end information in mid-July). **The financial report should be prepared and presented for Board action at the September APA Board meeting.** The Annual Report should include the following:

1. Report (*example from FY 2014*: Chapter income was **\$205,030.82**; expenses totaled **\$218,938.60**; overall total of **-\$13,907.78**); may also include any relevant trends, accomplishments, or other noteworthy items.
2. Attachments
 - a. *Account Balances* (Quarterly – 9/30; 12/31; 3/31; 6/30)
 - b. *Summary of Accounts – Fiscal Year (20XX)* (Income and Expense Category Summary)

- c. *Income and Expenses Compared to Budget*(Including actual income/expenses and differences from amounts budgeted)

Annual Signed Check Inventory

At the end of the calendar year, the Chapter Treasurer takes an inventory of all of the checks that have been signed throughout the year, starting with the first check in sequence after the last check signed during the previous calendar year. Refer to the *2014 Signed Check Inventory* as an example. The Treasurer should save all paper copies, to be provided to the APA Ohio Executive Director at the end of the Treasurer's term.

The Chapter Treasurer should confirm checks that have been VOIDED, request copies of checks signed by the Chapter President and APA Ohio Executive Director, and request copies of checks with second signatures from the Chapter President.

6. Miscellaneous Responsibilities

Audit

The purpose of a Chapter audit is to provide documentation of proper money handling for the Chapter's membership, and provide clarity and security for Board members and Chapter administrators handling money through the documentation of ethical, transparent, and proper financial management procedures.

The Chapter Treasurer often serves as the Chair of the Audit Committee, convening the committee when necessary. An audit is recommended whenever a new Treasurer is elected and/or when a new Executive Director is contracted. While an audit can be conducted by an accountant, it is not necessary for an organization the size of the APA Ohio Chapter.

The most recent audit was completed in September 2014, with recommendations implemented through the preparation of this Chapter Financial Administration Guide and (recommended) amendments to the Chapter Bylaws. The audit questionnaire was compiled through researching internal audit questionnaires and procedures for nonprofit agencies and may serve as a guide for future Chapter Audits. Refer to the attached 2014 Chapter Audit for recommended topics to be addressed through the Chapter audit.

Dues

The Chapter Treasurer is responsible for receiving and disbursing APA Ohio funds and preparing the annual budget. The Chapter Treasurer should review the Chapter dues rates from time to time to ensure the funds are consistent with the services provided by the Chapter and are appropriate compared with dues rates charged by other APA Chapters. The Chapter dues were last increased in May 2015 (effective October 2015) in coordination with APA National, transitioning from a flat rate (\$45 for an individual membership) to a percentage of National dues.

Investments

In recent decades, the APA Ohio Chapter has maintained at least one account containing "rainy day" funds. These funds were held in a CD with the Union Savings Bank (Cincinnati bank) for many years, which matured semi-annually. For logistical reasons, these funds were transferred in 2014, first to the Chapter's scholarship savings account (Chase). The Chapter Treasurer is responsible for coordinating with the APA Ohio Executive Director on researching and recommending appropriate investment strategies for consideration and action by the Board of Trustees.

Chapter Accounting Policies

The Chapter Treasurer is also responsible for periodically evaluating and recommending updates to the Chapter's accounting practices in coordination with the APA Ohio Executive Director and APA National, as appropriate. Previous updates have resulted from: new practices, such as accepting online registrations and electronic fund transfers; evaluating obsolete accounting codes and practices and the need for new accounting categories; and preparing new policies, such as a Chapter Investment Policy. New policies should be adopted by the Board of Trustees through formal Board action.

Treasurer Transitions

Toward the end of the appointed term, the Chapter Treasurer should begin to consider the transition to the next Chapter Treasurer. Consider reviewing the accounting policies and working with the APA Ohio Executive Director to determine a transition and training plan for the incoming Treasurer. Be prepared to provide guidance and in-person training during the first few months the new Treasurer is in office.

At the end of the term, the outgoing Chapter Treasurer should forward all paper copies of relevant records to the APA Ohio Executive Director, as well as any relevant electronic files.

7. Attachments & Useful Resources

1. APA Chapter Financial Management Guide (4/18/2013) – PDF
2. Guide to Chapter IRS Information Returns 2015 – PDF, Word
3. APA Ohio Chapter Fiscal Year Calendar of Dates – PDF, Word
4. APA Ohio Records Retention Schedule – PDF
5. APA Ohio Passwords/Finance Logins
6. APA Ohio – Basic Explanation of Accounting Codes – PDF, Excel
7. APA Ohio Chapter/Section Financial Agreement – PDF
8. APA Ohio Event Registration Policy – PDF
9. 2014 Signed Check Inventory – PDFs with memo (also in Word format)
10. Month End Review – Sample Excel spreadsheet with comments and questions
11. Sample Treasurer’s Report – PDFs, Word document (memo) and Excel spreadsheets
12. 2014 Taxes – Excel spreadsheet sent to the accountant
13. Sample Annual Budget – PDF and Excel Spreadsheet
14. Sample Annual Report – PDFs and Excel Spreadsheet
15. Sample Fiscal Agency MOU – Word
16. 2014 Chapter Audit Report with Attachments –PDF, Word